

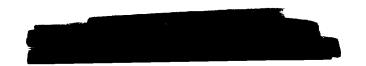
Richard B. Smith, Esq.
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
6th Street and Pennsylvania Avenue, N.W.
Room 303
Washington, D.C. 20580

Re: Definition of Finance Company for Purposes of § 802.64

Dear Dick:

I am writing to inquire about the Staff's position as to whether ") is a finance company for purposes of determining the applicability of the institutional investor exemption set forth in 16 C.F.R. § 802.64.

As I explained during our telephone conversation on Monday, November 4, 1996, we believe that the state of is a finance company because a substantial portion of its business is financing, including debt financing, consumer financing, leasing and equity financing. For example, debt financing to third parties for acquisitions, working capital, project finance and construction, asset securitization, lease financing, including aircraft and other equipment, and equity financing. However, neither § 802.64 nor the Statement of Basis and Purpose explaining the institutional investor exemption provide any definition of a finance company. Similarly, the Premerger Notification Practice Manual provides no assistance on this issue.



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You informed me that you were unaware of any prior learning regarding the definition of a finance company, but stated that you did not believe that 100% of a finance company's business must be financing. You then agreed that appears to be a finance company because of its financing activities and should be able to avail itself of the institutional investor exemption, assuming, of course, that other conditions of the exemption are met. However, you also stated that this was your opinion alone and suggested that I write this letter in order to obtain a more definitive answer.

Thus, I would be grateful if you would inform me of the Staff's position on this matter. Please call me if you have any further questions.

Thank you for your cooperation.

PMN Office (PS, NO, TH and UC) that Vean qualify as a General Company" under 807. 64 (a) (7). I printed out to the winter that on order to use 807.64 the (b) (3) requirement out to the westness to mede sorby for investment purposes (ap defined in 802.9) would amply to the acquiring power and but just the acquiring scalar and but just the acquiring scalar and but just the